



5929 Balcones Drive, Suite 200  
Austin, TX 78731-4280  
Phone: 512.343.2544  
Fax: 512.343.0119

REDACTED – FOR PUBLIC INSPECTION

**VIA ECFS**

October 15, 2013

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

RE: Annual Report for Panhandle Telephone Cooperative, Inc. Pursuant to 47 C.F.R. §54.313 and 54.422, WC Docket Nos. 10-90 and 11-42

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§ 54.313 Panhandle Telephone Cooperative, Inc. (the Cooperative), Study Area Code 432016, is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS). Section 3005 of the Form 481 requires a privately-held rate of return carrier receiving high cost support to attach financial information pursuant to 47 C.F.R. § 54.313(f)(2). The Cooperative maintains that the financial information is confidential and is submitting through ECFS a redacted document as an attachment for section 3005 of the FCC Form 481 in WC Docket Nos. 10-90 and 11-42.

Panhandle Telephone Cooperative, Inc., by its authorized representative, hereby submits confidential information pursuant to 47 C.F.R. § 54.313(f)(2), under seal, subject to the Protective Order adopted November 16, 2012 in the above-named dockets.<sup>1</sup> The Cooperative is providing to the Office of the Secretary the original and one copy of the cover letter and confidential information for WC Docket No. 10-90. The confidential information relates only to WC Docket No. 10-90. There is no claim of confidentiality for any information related to WC Docket No. 11-42.

Two copies of this cover letter and confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, in accordance with the Protective Order.

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<sup>1</sup> FCC Record DA 12-1857

Marlene H. Dortch  
October 15, 2013  
Page 2 of 2

The confidential information has also been submitted to the Universal Service Administrative Cooperative through its E-File system as an attachment to the FCC Form 481.

Each page of the confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION"

An original and three copies of the redacted confidential information and cover letter are also being filed simultaneously with the non-redacted confidential information, in accordance with the August 6, 2013 Public Notice (DA 13-1707). Two copies are provided for WC Docket No. 10-90 and two additional copies are provided for WC Docket No. 11-42. The redacted version of the cover letter for this filing and each page of the filing is marked "REDACTED – FOR PUBLIC INSPECTION."

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,



Jean Langkop  
Authorized Representative for  
Panhandle Telephone Cooperative, Inc.

JL/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau,  
Federal Communications Commission, (2 hardcopies of non-redacted submission)  
Mr. Shawn Hanson, Panhandle Telephone Cooperative, Inc.  
Ms. Kelley Wells, Panhandle Telephone Cooperative, Inc.

**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	432016
<015> Study Area Name	PANHANDLE TEL. COOP. INC.
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Kelley Wells
<035> Contact Telephone Number: Number of the person identified in data line <030>	580 338-2556
<039> Contact Email Address: Email of the person identified in data line <030>	kelley.wells@ptci.net

ANNUAL REPORTING FOR ALL CARRIERS			54.313 Completion Required	54.422 Completion Required
(check box when complete)				
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report				
<300> Unfulfilled Service Requests (voice)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<320> Unfulfilled Service Requests (broadband)		<input type="checkbox"/>	<input type="checkbox"/>	
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<410> Fixed	<input type="text" value="0.0"/>			
<420> Mobile				
<430> Number of Complaints per 1,000 customers (broadband)		<input type="checkbox"/>	<input type="checkbox"/>	
<440> Fixed				
<450> Mobile				
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<510> <input type="text" value="432016ok510"/>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<610> <input type="text" value="432016ok610"/>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<900> Tribal Land Offerings (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	
<1010> <input type="text"/>	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**(100) Service Quality Improvement Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	432016
<015>	Study Area Name	PANHANDLE TEL. COOP. INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
<035>	Contact Telephone Number - Number of person identified in data line <030>	580 338-2556
<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net
<110>	Has your company received its ETC certification from the FCC?	(yes / no ) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no ) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets  
 <114> Report how much universal service (USF) support was received  
 <115> How (USF) was used to improve service quality  
 <116> How (USF) was used to improve service coverage  
 <117> How (USF) was used to improve service capacity  
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

[illegible]

<010>	Study Area Code	432016
<015>	Study Area Name	PANHANDLE TEL. COOP. INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
<035>	Contact Telephone Number - Number of person identified in data line <030>	580 338-2556
<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

[illegible]

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 432016

<015> Study Area Name	PANHANDLE TEL. COOP. INC.
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<020>	Program Year	2014
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<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
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<035> Contact Telephone Number - Number of person identified in data line <030> 580 338-2556

<039> Contact Email Address - Email Address of person identified in data line <030> kelly.wells@ptci.net

[illegible]

<010>	Study Area Code	432016
<015>	Study Area Name	PANHANDLE TEL. COOP. INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
<035>	Contact Telephone Number - Number of person identified in data line <030>	580 338-2556
<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

<810>	Reporting Carrier	Panhandle Telephone Cooperative, Inc.
<811>	Holding Company	Panhandle Telephone Cooperative, Inc.
<812>	Operating Company	Panhandle Telephone Cooperative, Inc.

-- See attached worksheet --



<b>(900) Tribal Lands Reporting Data Collection Form</b>		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	432016
<015>	Study Area Name	PANHANDLE TEL. COOP. INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
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<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

<910> Tribal Land(s) on which ETC Serves Jicarilla Apache Nation (verifying)

<920> Tribal Government Engagement Obligation

432016ok920

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes,No, NA)
NA
NA
NA
NA
NA
NA
NA
NA

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

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<015>	Study Area Name	PANHANDLE TEL. COOP. INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
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<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

<b>(1200) Terms and Condition for Lifeline Customers</b> <b>Lifeline</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	432016
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<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
<035>	Contact Telephone Number - Number of person identified in data line <030>	580 338-2556
<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP www.ptci.net/phone

“Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒

<1222> Details on the number of minutes provided as part of the plan, ☒

<1223> Additional charges for toll calls, and rates for each such plan. ☒

**(2000) Price Cap Carrier Additional Documentation**

**Data Collection Form**

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

**CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.**

**Incremental Connect America Phase I reporting**

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}


**Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}**

- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification


**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

- <2016> Certification Support Used to Build Broadband

--

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached PDF , on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.
- <2021> Interim Progress Community Anchor Institutions


Name of Attached Document Listing Required Information

\_\_\_\_\_

<b>(3000) Rate Of Return Carrier Additional Documentation</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<b>&lt;010&gt;</b>	Study Area Code	432016
<b>&lt;015&gt;</b>	Study Area Name	PANHANDLE TEL. COOP. INC.
<b>&lt;020&gt;</b>	Program Year	2014
<b>&lt;030&gt;</b>	Contact Name - Person USAC should contact regarding this data	Kelley Wells
<b>&lt;035&gt;</b>	Contact Telephone Number - Number of person identified in data line <030>	580 338-2556
<b>&lt;039&gt;</b>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

**CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.**

**Progress Report on 5 Year Plan**

(3010) Milestone Certification {47 CFR § 54.313(f)(1)(i)} Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	Name of Attached Document Listing Required Information	<input style="width: 100px; height: 15px;" type="text"/>
(3012) Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)} (3013) Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)} (3014) If yes, does your company file the RUS annual report Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:	Name of Attached Document Listing Required Information	<input checked="" type="checkbox"/> (Yes/No) <input checked="" type="checkbox"/> (Yes/No)
(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input checked="" type="checkbox"/>
(3016) PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	432016ok3017
(3018) If the response is no on line 3014, Is your company audited?  If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains :		<input type="checkbox"/> (Yes/No)
(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications		<input type="checkbox"/>
(3020) PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3021) Management letter issued by the independent certified public accountant that performed the company's financial audit.  If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:		<input type="checkbox"/>
(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,		<input type="checkbox"/>
(3023) Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024) Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3025) PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026) Attach the worksheet listing required information	Name of Attached Document Listing Required Information	<input style="width: 100px; height: 15px;" type="text"/>

<b>Certification - Reporting Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<035> Contact Telephone Number - Number of person identified in data line <030>	580 338-2556
<039> Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

**TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:**

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

<b>Certification - Agent / Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	432016
<015> Study Area Name	PANHANDLE TEL. COOP. INC.
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<039> Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net

**TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:**

<b>Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I certify that (Name of Agent) <u>Jean Langkop</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	Jean Langkop
Name of Reporting Carrier:	PANHANDLE TEL. COOP. INC.
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 09/30/2013
Printed name of Authorized Officer:	Shawn Hanson
Title or position of Authorized Officer:	CEO
Telephone number of Authorized Officer:	580-468-2180
Study Area Code of Reporting Carrier:	432016 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**TO BE COMPLETED BY THE AUTHORIZED AGENT:**

<b>Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	PANHANDLE TEL. COOP. INC.
Name of Authorized Agent or Employee of Agent:	Jean Langkop
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 09/30/2013
Printed name of Authorized Agent or Employee of Agent:	Jean Langkop
Title or position of Authorized Agent or Employee of Agent:	Director - Business Compliance
Telephone number of Authorized Agent or Employee of Agent:	512 343-2544
Study Area Code of Reporting Carrier:	432016 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments



**(800) Operating Companies  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	kelley.wells@ptci.net
<810>	Reporting Carrier	Panhandle Telephone Cooperative, Inc.
<811>	Holding Company	Panhandle Telephone Cooperative, Inc.
<812>	Operating Company	Panhandle Telephone Cooperative, Inc.

[illegible]

**LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION  
RULES COMPLIANCE**

Panhandle Telephone Cooperative, Inc. (the Cooperative) certifies its compliance with applicable service quality standards and consumer protection rules as required by the state regulatory commission and the Federal Communications Commission.

The rates, terms, and conditions under which the Cooperative operates are outlined in its Member Services Tariff, which is approved by the Oklahoma Corporation Commission (OCC). The Cooperative's tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Cooperative, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers. Rates, applications and certain terms of service are also available on the Cooperative's website.

Service quality standards are established by the OCC and the Cooperative consistently meets or exceeds the standards and provides reports to the OCC, in accordance with the OCC's rules.

The protection of customers' privacy and information is of utmost importance and the Cooperative has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Cooperative's compliance with CPNI rules and a description of the Cooperative's operating procedures that ensure compliance are filed at the FCC annually.

**LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS**

Panhandle Telephone Cooperative, Inc. (the Cooperative) is able to function in emergency situations. The Cooperative has a reasonable amount of back-up power to ensure functionality without an external power source. Fixed generators are at the central offices as well as strategic locations to be deployed as needed to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Cooperative is able to reroute traffic around damaged facilities. Although the Cooperative's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

Line 920 – Tribal Government Engagement Obligation

Panhandle Telephone Cooperative, Inc. (the Cooperative's) service area includes "former reservations" in Oklahoma.<sup>1</sup> The Cooperative was not able to clearly identify the tribes associated with the former tribal land served and sent letters on November 8, 2012 "return receipt requested" to all of the tribes in Oklahoma as listed below. The letters were addressed to the contacts as provided by the National Congress of American Indian's Tribal directory. Each letter requested that the Tribal government representative contact the Cooperative to engage in discussions or acknowledge that they have no tribal interest in the Cooperative's service area and decline to engage in discussions. Following is the status of the attempted contacts.

Cherokee Nation – On November 15, 2012 the Cooperative was advised by a representative of Cherokee Nation that they have no facilities, assets, or group of members needing communication services, and declined further discussions.

Jicarilla Apache Nation - A map was returned that indicates an interest the Jicarilla Apache Nation possibly has in the western portion of the Cooperative's service area. Former Oklahoma tribal maps utilized by the Cooperative indicated that area was served by the Concho Agency and by the end of 2012 the Cooperative was trying to determine the "former reservation" area under Jicarilla Apache Nation's jurisdiction to engage in further discussions.

Comanche Nation – A signed receipt was received on November 14, 2012. By the end of 2012, the Cooperative had not been contacted by any representative of the Tribal government.

United Keetoowah Band of Cherokee Indians - A signed receipt was received on November 13, 2012. By the end of 2012, the Cooperative had not been contacted by any representative of the Tribal government.

Cheyenne and Arapaho Tribes - A signed receipt was received on November 13, 2012. By the end of 2012, the Cooperative had not been contacted by any representative of the Tribal government.

Kiowa Tribe of Oklahoma - A signed receipt was received on November 13, 2012. By the end of 2012, the Cooperative had not been contacted by any representative of the Tribal government.

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<sup>1</sup> FCC Public Notice, DA12-1165, released July 19, 2012, footnote 2, states, "In the context of the *USF/ICC Transformation Order*, "Tribal lands" is defined as "any federally recognized Indian tribe reservation, pueblo or colony, including former reservations in Oklahoma..."



According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i>	
	<b>BORROWER NAME</b>  Panhandle Telephone Cooperative, Inc.	
<b>INSTRUCTIONS-</b> Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	<b>PERIOD ENDING</b> December, 2012	<b>BORROWER DESIGNATION</b> OK0530
<b>CERTIFICATION</b>  We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. <b>ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</b>  <b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII</b> (Check one of the following)		
<div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.                     </div> <div> <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report                     </div> </div>		
Shawn Hanson	2/28/2013 DATE	

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom. Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom. Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom. Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+59)		

Total Equity = of Total Assets

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		<b>BORROWER DESIGNATION</b>  OK0530	
<b>INSTRUCTIONS- See RUS Bulletin 1744-2</b>		<b>PERIOD ENDING</b>  December, 2012	
<b>PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS</b>			
<b>ITEM</b>		<b>PRIOR YEAR</b>	<b>THIS YEAR</b>
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 6 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period ((31+33+34) - (35+36+37+38))			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio ((14+20-10-11) / 7)			
46. Operating Accrual Ratio ((14+20+26) / 7)			
47. TIER ((31+26) / 26)			
48. DSCR ((31+26+10+11) / 44)			

USDA-RUS						BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS						OK0530	
INSTRUCTIONS - See RUS Bulletin 1744-2						PERIOD ENDED December, 2012	
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (Including fiber) (a)	FIBER (b)
Adams, OK	21.45	17.50					
Balto, OK	21.45	17.50					
Beaver, OK	29.50	17.50					
Boise City, OK	29.50	17.50					
Bryans Corner, OK	21.45	17.50					
Eva, OK	22.45	17.50					
Felt, OK	22.45	17.50					
Floria, OK	21.45	17.50					
Forgen, OK	21.45	17.50					
Gate, OK	29.50	17.50					
Goodwell, OK	31.30	17.50					
Griggs, OK	22.45	17.50					
Guymon, OK	31.30	17.50					
Hardesty, OK	21.45	17.50					
Hooker, OK	21.45	17.50					
Kenton, OK	22.45	17.50					
Keyes, OK	29.50	17.50					
Laverne, OK	29.50	17.50					
Logan, OK	22.45	17.50					
Texhoma, OK	29.50	17.50					
Turpin, OK	24.45	17.50					
Tyrone, OK	21.45	17.50					
Mobile Wireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges	22						

USDA-RUS							BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS							OK0530	
							PERIOD ENDED December, 2012	
INSTRUCTIONS - See RUS Bulletin 1744-2								
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION								
4. BROADBAND SERVICE								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Details on Least Expensive Broadband Service				
				Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	StandAlone/Pckg (f)	Type Of Technology (g)
Adams, OK				768	384	29.99	StandAlone	DSL
Balto, OK				768	384	29.99	StandAlone	DSL
Beaver, OK				768	384	29.99	StandAlone	DSL
Boise City, OK				768	384	29.99	StandAlone	DSL
Bryans Corner, OK				768	384	29.99	StandAlone	DSL
Eva, OK				768	384	29.99	StandAlone	DSL
Felt, OK				768	384	29.99	StandAlone	DSL
Floris, OK				768	384	29.99	StandAlone	DSL
Forgan, OK				768	384	29.99	StandAlone	DSL
Gate, OK				768	384	29.99	StandAlone	DSL
Goodwell, OK				768	384	29.99	StandAlone	DSL
Griggs, OK				768	384	29.99	StandAlone	DSL
Guymon, OK				768	384	29.99	StandAlone	DSL
Hardesty, OK				768	384	29.99	StandAlone	DSL
Hooker, OK				768	384	29.99	StandAlone	DSL
Kenton, OK				768	384	29.99	StandAlone	DSL
Keyes, OK				768	384	29.99	StandAlone	DSL
Laverne, OK				768	384	29.99	StandAlone	DSL
Logan, OK				768	384	29.99	StandAlone	DSL
Texhoma, OK				768	384	29.99	StandAlone	DSL
Turpin, OK	768	384	29.99	StandAlone	DSL			
Tyrone, OK	768	384	29.99	StandAlone	DSL			
Total				768	384	29.99	StandAlone	DSL


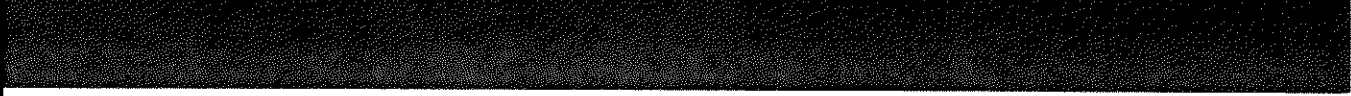


<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>				<b>BORROWER DESIGNATION</b> OK0530  <b>PERIOD ENDING</b> December, 2012							
<b>INSTRUCTIONS- See RUS Bulletin 1744-2</b>											
<b>PART D. SYSTEM DATA</b>											
1. No. Plant Employees	38	2. No. Other Employees	117	3. Square Miles Served	6,328						
				4. Access Lines per Square Mile	1.86						
				5. Subscribers per Route Mile	2.15						
<b>PART E. TOLL DATA</b>											
1. Study Area ID Code(s)  a. 432016 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____		2. Types of Toll Settlements (Check one)  <table style="width: 100%;"> <tr> <td style="width: 40%;">Interstate:</td> <td style="width: 20%;"><input type="checkbox"/> Average Schedule</td> <td style="width: 40%;"><input checked="" type="checkbox"/> Cost Basis</td> </tr> <tr> <td>Intrastate:</td> <td><input type="checkbox"/> Average Schedule</td> <td><input checked="" type="checkbox"/> Cost Basis</td> </tr> </table>				Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis
Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis									
Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis									
<b>PART F. FUNDS INVESTED IN PLANT DURING YEAR</b>											
1. RUS, RTB, & FFB Loan Funds Expended											
2. Other Long-Term Loan Funds Expended											
3. Funds Expended Under RUS Interim Approval											
4. Other Short-Term Loan Funds Expended											
5. General Funds Expended (Other than Interim)											
6. Salvaged Materials											
7. Contribution in Aid to Construction											
8. Gross Additions to Telecom. Plant (1 thru 7)											
<b>PART G. INVESTMENTS IN AFFILIATED COMPANIES</b>											
INVESTMENTS  (a)	CURRENT YEAR DATA		CUMULATIVE DATA								
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)						
1. Investment in Affiliated Companies - Rural Development											
2. Investment in Affiliated Companies - Nonrural Development											

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	<b>BORROWER DESIGNATION</b> OK0530  <b>PERIOD ENDING</b> December, 2012
<b>PART H. CURRENT DEPRECIATION RATES</b>	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)	
<input checked="checked" type="checkbox"/> YES <input type="checkbox"/> NO	
<b>EQUIPMENT CATEGORY</b>	<b>DEPRECIATION RATE</b>
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		<b>BORROWER DESIGNATION</b> OK0530
<b>INSTRUCTIONS – See help in the online application.</b>		<b>PERIOD ENDED</b> December, 2012
<b>PART I – STATEMENT OF CASH FLOWS</b>		
<b>1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>2. Net Income</b>		
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
<b>3. Add: Depreciation</b>		
<b>4. Add: Amortization</b>		
<b>5. Other (Explain)</b> Prepaid Taxes		
<i>Changes in Operating Assets and Liabilities</i>		
<b>6. Decrease/(Increase) in Accounts Receivable</b>		
<b>7. Decrease/(Increase) in Materials and Inventory</b>		
<b>8. Decrease/(Increase) in Prepayments and Deferred Charges</b>		
<b>9. Decrease/(Increase) in Other Current Assets</b>		
<b>10. Increase/(Decrease) in Accounts Payable</b>		
<b>11. Increase/(Decrease) in Advance Billings &amp; Payments</b>		
<b>12. Increase/(Decrease) in Other Current Liabilities</b>		
<b>13. Net Cash Provided/(Used) by Operations</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>14. Decrease/(Increase) in Notes Receivable</b>		
<b>15. Increase/(Decrease) in Notes Payable</b>		
<b>16. Increase/(Decrease) in Customer Deposits</b>		
<b>17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)</b>		
<b>18. Increase/(Decrease) in Other Liabilities &amp; Deferred Credits</b>		
<b>19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates &amp; Other Capital</b>		
<b>20. Less: Payment of Dividends</b>		
<b>21. Less: Patronage Capital Credits Retired</b>		
<b>22. Other (Explain)</b> Int Rec      Prior Period Patronage Adj		
<b>23. Net Cash Provided/(Used) by Financing Activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>24. Net Capital Expenditures (Property, Plant &amp; Equipment)</b>		
<b>25. Other Long-Term Investments</b>		
<b>26. Other Noncurrent Assets &amp; Jurisdictional Differences</b>		
<b>27. Other (Explain)</b> adj depreciation reserve due to retirements		
<b>28. Net Cash Provided/(Used) by Investing Activities</b>		
<b>29. Net Increase/(Decrease) in Cash</b>		
<b>30. Ending Cash</b>		

Revision Date 2010

<p>USDA-RUS</p> <p><b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	<p>BORROWER DESIGNATION</p> <p>OK0530</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2012</p>
<p><b>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	
<p>Part C - 4. Broadband Services - Panhandle Telephone does not directly provide broadband service to its subscribers. It sells as a wholesaler to its wholly owned subsidiary at the NECA tariffed rates, then the subsidiary sellsthe broadband services in the various exchanges. The information provided in this reports reflects the subscribers ultimately reached and served through our subsidiary operation.</p> <p>Part A - Line 39 - Balance of Cushion of Credit Funds. </p> 	

<p>USDA-RUS</p> <p><b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	<p>BORROWER DESIGNATION</p> <p>OK0530</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2012</p>
<p><b>CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	
<p></p>	